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DE RUEHVJ #1671/01 2150718

ZNY CCCCC ZZH

P 030718Z AUG 07 ***ZDK***

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TO RUEHC/SECSTATE WASHDC PRIORITY 6756

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DEPARTMENT FOR EUR(DICARLO), EUR/SCE(HOH;FAGAN), NSC FOR BRAUN

E.O. 12958: DECL: 07/30/2017

TAGS: PGOV PREL PINR BK

SUBJECT: BOSNIA - CROATS REVIVE THIRD ENTITY CONCEPT

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Classified By: Deputy Chief of Mission Judith Cefkin. Reasons 1.4 (b) and (d).

¶11. (C) SUMMARY: Croat political leaders have become increasingly open in their search for a politically palatable way to repackage old demands for a third Croat entity. The nationalist rhetoric of Haris Silajdzic and Milorad Dodik, which has included statements about abolishing entities and "federalizing" Bosnia, has emboldened Croat political leaders to openly challenge Dayton without fear of immediate consequences. Underlying Croat efforts to resuscitate the issue of the third entity is a prevailing fear of Croat identity being lost in Bosnia. In anticipation of constitutional reform talks this fall, the five major Croat political parties have been negotiating a draft "All Croat" declaration on Bosnia's constitutional structure. They anticipate signing the declaration after the summer holidays.

While all Croat parties largely agree that Bosnia's two entity structure should be modified, they have differing positions on how to achieve this goal. END SUMMARY.

¶12. (C) On July 24 and 25, we met with senior members of the five main Croat parties in Mostar to discuss their views on the structure and governance of Bosnia-Herzegovina and the still unsigned All-Croat Declaration on Constitutional Reform:

-- Croatian Democratic Union of Bosnia Herzegovina (HDZ-BiH):
Secretary General Vlado Rogic
-- Croatian Democratic Union 1990 (HDZ-1990): Secretary General Josip Merdzo and HDZ Spokesman Miso Relota
-- Croatian Peasants Party (HSS): Secretary General Zoran Stojanovic
-- Peoples Party Working for Progress (RzB): Party President Mladen Ivankovic Lijanovic
-- Croatian Party of Rights of Djapic Jurisic (HSP-DJ): Party Chairman and West Herzegovina Prime Minister Zvonko Jurisic

We also traveled to Posavina on August 1 to meet with Posavina Cantonal officials and representatives from Croat returnee communities in Republika Srpska (RS) and the Federation.

All-Croat Declaration Background

¶13. (C) Since May, Croat political leaders have been engaged in drafting a joint Declaration on the Principles of

Constitutional Reform. Among other things, the draft All-Croat Declaration calls for abandoning the two entity structure and imposing a three-level system of governance (state, middle, and local) based on geographic, historical, economic, and ethnic criteria. Most recently, Croat leaders met in Posusje on July 18 with the stated intention of signing the declaration, but failed to do so, owing to the absence of HDZ-BiH chairman Dragan Covic. Covic maintains that other commitments prevented him from attending the Posusje meeting, noting that he sent a representative in his place. Representatives from the other Croat political parties believe Covic deliberately failed to attend, perhaps to delay signature of the Declaration. Regardless, Croat leaders resolved to reconvene in late August/early September to attempt to sign the Declaration again.

Different Maps, Similar Outcomes

¶4. (C) Publicly, Croat political parties have emphasized the multiethnic character of their proposed middle levels of government and avoided offering specifics about where their boundaries might be drawn. They were more forthcoming in their exchanges with us. HDZ-BiH advocated a Bosnia of three, possibly four, federal units and with Sarajevo designated a special district, stressing that these units did not need to be territorially contiguous. In this context, Rogic's description of the federal unit centered on Herzegovina sounded strikingly like wartime Herceg-Bosna. HDZ-1990 also proposed linking the current Posavina Canton to a federal unit centered on Mostar. HSS suggested a Bosnia of 6 to 8 federal units and shared with us draft maps showing their boundaries. In both the 6 and 8 federal unit scenarios, HSS's maps envisioned merging Herzegovina-Neretva West Herzegovina and Livno Cantons into a single Croat-dominated federal unit, a position supported by HSP-DJ as well.

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The Rise of Posavina in Croat Politics

¶5. (C) Bosniak political leaders' call for special status for Srebrenica in the wake of the International Court of Justice's (ICJ) February verdict prompted calls by HSP-DJ leader Jurisic for special status for formerly Croat majority municipalities in the Posavina region of Republika Srpska (RS). Jurisic has toned down his special status rhetoric since then, but he has continued to present himself and his party as the champion of all Bosnia's Croats, not simply those resident in Herzegovina. Jurisic's aim is to undermine support for the two HDZs, the largest and most influential Croat parties, which are widely perceived as unconcerned about Croats living in Posavina and central Bosnia. Jurisic told us that Bosnia's new constitutional structure should include two Croat entities, one in Herzegovina and the other in "historic Posavina."

¶6. (C) Though Jurisic's strategy has failed to elevate HSP-DJ's political position vis-a-vis HDZ-BiH or HDZ-1990, it has impacted the intra-Croat political dialogue. Both HDZ-BiH and HDZ-1990 underscored with us the importance of addressing the concerns of Posavinian and central Bosnian Croats in the anticipated constitutional reform talks. HSS endorsed Jurisic's call for a Posavina entity, which it suggested should also include portions of Brcko District. Posavina Canton political leaders and Croat returnees who we spoke with welcomed the renewed attention from Croat leaders based in Herzegovina, but were skeptical it would translate into meaningful support during constitutional reform negotiations. One Posavina Canton official told us, "Herzegovinian Croats are interested in grabbing all the political power and will not hesitate to sell out the interests of Posavinian and central Bosnian Croats."

The RS By Any Other Name Would Still Be The RS

¶7. (C) The draft All Croat Declaration objects to the current two entity system and Croat political leaders argue that the RS should not remain a federal unit in a new constitutional structure. Our conversations suggest the Croat position is considerably more flexible than their public pronouncements imply. HDZ-1990 told us that they wanted a federal unit encompassing all of historic Herzegovina, which includes much of the Eastern RS south of Gacko. However, HDZ-1990 acknowledged that if Bosnian Serbs objected to this territorial shift, HDZ-1990 would acquiesce. HSS's maps included a single federal unit in what is now the RS. HDZ-BiH implied that though the RS's name might change, its territorial boundaries might not. Only Jurisic insisted that, in the end, the RS would have to be broken up into smaller federal units.

¶8. (C) Nonetheless, all parties agreed that the special privileges the RS enjoys under the Dayton Constitution, notably entity voting, would have to end unless similar privileges were granted to all Bosnia's constituent peoples. Our impression was that most Croat party representatives preferred a State-level legislature that included either vetoes for the new federal units or a system of ethnically weighted voting in order to protect Croat interests rather than simply eliminating entity voting. Regardless, none of the Croat parties advocated a strong central government. Most envisioned that new federal units would combine the competencies currently enjoyed at the entity and canton levels. Intriguingly, RzB proposed that a new constitution provide for only two levels of government, State and municipal. The current State-level electoral districts would provide a "virtual" middle-level of government with their MPs enjoying the right to block legislation detrimental to their district's interests.

The Bosnian Croat Psyche

¶9. (C) RzB emphasized that Bosniak and Serb nationalist rhetoric is impacting public attitude among Croats and generating anxiety among them about "their place" in Bosnia. In this environment, Croats believe their only protection, as the country's smallest constituent people, is to have their own territorial unit within Bosnia, something all party

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representatives stressed. Though not new, this urge for "territorial protection" is more intense, according to observers of the Croat political scene. Perceptions, probably accurate, that Croats as a percentage of Bosnia's population has shrunk dramatically from its pre-war figure of 17 percent, also fuels concerns among Croats that Bosniaks and Serbs will ultimately carve up the country between them. Even though Croats recognize that many of their political leaders are corrupt, as one non-political party contact put it, "Croats prefer a Croat hand in the Croat pocket to good governance under Bosniaks or Serbs."

Comment

¶10. (C) Croats leaders are raising more openly than any time since the Third Entity Movement, the need for a territorial reorganization of Bosnia that addresses Croat concerns. These demands are not new, but Croat leaders most likely have been emboldened by months of nationalist rhetoric from Silajdzic and Dodik, particularly their regular calls to either abolish entities or create additional federal units. This time around, the Croats are being much more careful about how they describe their aspirations. The draft "All Croat Declaration" is deliberately vague, and there have been no public calls for a "Third Entity." Croat political representatives description of their aspirations certainly

suggest that this is what they are aiming for, however. Croatian politicians have seemed content to play the Bosniak and Serb leaders off each other, while trying to forge a common position within a fractured Croat polity. Croats will eventually have to choose an ally in any future constitutional reform arrangements and are likely to find Dodik, who has openly courted the Croats with his "federal Bosnia" concept, to be a more attractive partner than Silajdzic.

MCELHANEY